

**THUNDERSTRUCK RESOURCES LTD.**

Condensed Consolidated Interim Financial Statements

Third Quarter September 30, 2022

*(Expressed in Canadian Dollars)*  
*(Unaudited)*

**NOTICE OF NO AUDITOR REVIEW OF  
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

In accordance with National Instrument 51-102 Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of these condensed interim financial statements they must be accompanied by a notice indicating that these condensed consolidated interim financial statements have not been reviewed by the Company's auditors.

The accompanying unaudited condensed interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

**THUNDERSTRUCK RESOURCES LTD.**  
**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION**  
(Unaudited - Expressed in Canadian Dollars)  
**AS AT**

	<b>September 30, 2022</b>	December 31, 2021
	\$	\$
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	752,102	57,556
Amounts receivable	38,085	18,598
Prepaid expenses	54,174	33,086
	<b>844,361</b>	109,240
Equipment (note 4)	184,944	171,205
Exploration advances and deposits	257,948	133,655
Exploration and evaluation asset (note 3)	3,121,239	2,154,892
<b>Total Assets</b>	<b>4,408,492</b>	2,568,992
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued liabilities (note 7)	199,299	155,654
Lease liabilities (note 5)	-	128,354
	<b>199,299</b>	284,008
Lease liabilities (note 5)	-	46,102
	<b>199,299</b>	330,110
<b>EQUITY</b>		
Share capital (note 6(b))	8,452,804	5,834,112
Reserves (note 6(e))	1,267,901	938,527
Deficit	(5,511,512)	(4,533,757)
<b>Total Equity</b>	<b>4,209,193</b>	2,238,882
<b>Total Equity and Liabilities</b>	<b>4,408,492</b>	2,568,992

*See accompanying notes to the condensed consolidated interim financial statements*

Nature and continuance of operations (note 1)

Approved by the Board of Directors and authorized for issue on November 29, 2022.

**On behalf of the Board:**

*"Bryce Bradley"*

(Director)

*"Brien Lundin"*

(Director)

**THUNDERSTRUCK RESOURCES LTD.****CONDENSED CONSOLIDATED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS**

(Unaudited - Expressed in Canadian Dollars)

	<b>Three Months Ended September 30, 2022</b>	Three Months Ended September 30, 2021	<b>Nine Months Ended September 30, 2022</b>	Nine Months Ended September 30, 2021
	\$	\$	\$	\$
<b>EXPENSES</b>				
Advertising and promotion	<b>10,214</b>	3,096	<b>31,478</b>	28,422
Consulting fees	<b>36,000</b>	31,255	<b>173,750</b>	140,500
Depreciation (note 5)	<b>491</b>	491	<b>1,458</b>	1,458
Directors' fees (note 7)	<b>3,000</b>	3,000	<b>9,000</b>	9,000
Management fees (note 7)	<b>30,000</b>	30,000	<b>155,000</b>	90,000
Office and miscellaneous	<b>9,055</b>	9,710	<b>40,656</b>	22,478
Professional fees	<b>19,591</b>	48,604	<b>76,986</b>	88,623
Rent (note 7)	<b>9,450</b>	6,300	<b>28,350</b>	18,900
Share-based compensation (note 6(e))	-	-	<b>390,316</b>	29,754
Shareholder communication	<b>529</b>	1,296	<b>5,435</b>	3,518
Telephone	<b>1,158</b>	1,082	<b>5,797</b>	4,297
Travel and accommodation	<b>3,325</b>	-	<b>29,979</b>	-
Trust and filing fees	<b>632</b>	721	<b>13,219</b>	9,611
<b>Loss from operations</b>	<b>(123,445)</b>	(135,555)	<b>(961,424)</b>	(446,561)
Buyout of leases (note 5)	-	-	<b>(8,601)</b>	-
Finance expense (note 5)	-	(3,280)	<b>(4,070)</b>	(11,615)
Foreign exchange	<b>2,451</b>	(2,847)	<b>(3,660)</b>	12,513
Loss on sale of vehicle	-	-	-	(1,542)
Operator fees (note 3)	-	4,402	-	27,528
Write-off of accounts payable	-	-	-	5,910
<b>Net loss and comprehensive loss for the period</b>	<b>(120,994)</b>	(137,280)	<b>(977,755)</b>	(413,767)
<b>Basic and diluted loss per common share</b>	<b>\$ (0.00)</b>	\$ (0.00)	<b>\$ (0.01)</b>	\$ (0.00)
<b>Weighted average common shares outstanding</b>	<b>127,012,810</b>	85,043,459	<b>118,157,290</b>	84,897,671

*See accompanying notes to the condensed consolidated interim financial statements*

**THUNDERSTRUCK RESOURCES LTD.**  
**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOW**  
(Unaudited - Expressed in Canadian dollars)  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30**

	2022	2021
<b>Cash provided by (used for):</b>	<b>\$</b>	<b>\$</b>
<b>Operating activities</b>		
Loss for the period	(977,755)	(413,767)
Items not involving the use of cash:		
Accrued interest expense	4,070	11,615
Buyout of leases	8,601	-
Depreciation	1,458	1,458
Loss on sale of vehicle	-	1,542
Operator fees	-	(27,528)
Share-based compensation	390,316	29,754
Unrealized foreign exchange	(4,290)	(7,440)
Changes in non-cash operating capital:		
Amounts receivable	(24,365)	(37,563)
Prepaid expenses	(21,088)	80,284
Accounts payable and accrued liabilities	(30,896)	(7,480)
<b>Cash used in operating activities</b>	<b>(653,949)</b>	<b>(369,125)</b>
<b>Investing activities</b>		
Exploration advances and deposits	(145,135)	2,816
Exploration advances received	4,878	670,000
Exploration and evaluation expenditures	(835,526)	(824,899)
Proceeds from sale of vehicle	-	5,570
Purchase of equipment	(171,175)	(24,547)
<b>Cash used in investing activities</b>	<b>(1,146,958)</b>	<b>(171,060)</b>
<b>Financing activities</b>		
Private placement	2,500,000	-
Share issue costs	(25,750)	(3,500)
Obligation to issue shares	-	51,200
Options exercised	63,500	18,750
Warrants exercised	20,000	60,000
Lease payments	(62,297)	(99,101)
<b>Cash provided by financing activities</b>	<b>2,495,453</b>	<b>27,349</b>
Change in cash during the period	694,546	(512,836)
Cash, beginning of period	57,556	587,797
Cash, end of the period	752,102	74,961

**Supplementary disclosure:**

As at September 30, 2022, the Company had \$161,124 (2021 - \$51,884) in exploration expenditures in accounts payable and incurred depreciation expense of \$56,280 (2021 - \$95,188) capitalized to exploration and evaluation assets. The Company redeemed \$20,855 (2021 - \$Nil) in bonds against the lease liability in the period ended September 30, 2022.

See accompanying notes to the condensed consolidated interim financial statements

**THUNDERSTRUCK RESOURCES LTD.****CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY**

(Unaudited - Expressed in Canadian dollars)

	<b>Number of shares</b>	<b>Share capital</b>	<b>Obligation to issue shares</b>	<b>Reserves</b>	<b>Deficit</b>	<b>Total</b>
		<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>December 31, 2020</b>	<b>84,193,459</b>	<b>5,447,221</b>	-	<b>918,205</b>	<b>(3,837,634)</b>	<b>2,527,792</b>
Share issue costs	-	(3,500)	-	-	-	(3,500)
Obligation to issue shares	-	-	51,200	-	-	51,200
Share-based compensation	-	-	-	29,754	-	29,754
Options exercised	250,000	37,047	-	(18,297)	-	18,750
Warrants exercised	600,000	60,000	-	-	-	60,000
Net loss for the period	-	-	-	-	(413,767)	(413,767)
<b>September 30, 2021</b>	<b>85,043,459</b>	<b>5,540,768</b>	<b>51,200</b>	<b>929,662</b>	<b>(4,251,401)</b>	<b>2,270,229</b>
Private placement	5,330,066	319,804	(51,200)	-	-	268,604
Share issue costs	-	(26,460)	-	8,865	-	(17,595)
Net loss for the period	-	-	-	-	(282,356)	(282,356)
<b>December 31, 2021</b>	<b>90,373,525</b>	<b>5,834,112</b>	-	<b>938,527</b>	<b>(4,533,757)</b>	<b>2,238,882</b>
Private placement	35,714,285	2,500,000	-	-	-	2,500,000
Share issue costs	-	(25,750)	-	-	-	(25,750)
Share-based compensation	-	-	-	390,316	-	390,316
Options exercised	725,000	124,442	-	(60,942)	-	63,500
Warrants exercised	200,000	20,000	-	-	-	20,000
Net loss for the period	-	-	-	-	(977,755)	(977,755)
<b>September 30, 2022</b>	<b>127,012,810</b>	<b>8,452,804</b>	-	<b>1,267,901</b>	<b>(5,511,512)</b>	<b>4,209,193</b>

*See accompanying notes to the condensed consolidated interim financial statements*

# THUNDERSTRUCK RESOURCES LTD.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(Unaudited - Expressed in Canadian dollars)

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022

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### 1. NATURE AND CONTINUANCE OF OPERATIONS

Thunderstruck Resources Ltd. (the "Company") was incorporated under the British Columbia Business Corporations Act on October 27, 2011 and its principal activity is the acquisition and exploration of mineral properties.

The Company's registered office address is Suite 2080 - 777 Hornby Street, Vancouver, BC V6Z 1S4 and its principal place of business is Suite 488 – 1090 West Georgia Street, Vancouver, BC V6E 3V7.

The Company's principal mineral property interest is a project located on the main island of Fiji. The Company is in the process of exploring this project and has yet to determine if the project contains economically recoverable mineral reserves. The Company's continuing operations and the underlying value of the project is entirely dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of the project, obtaining the necessary permits to mine, future profitable production from any mine and any proceeds from the disposition of the project.

These condensed consolidated interim financial statements have been prepared assuming the Company will continue on a going-concern basis. The Company has working capital of \$645,062 as at September 30, 2022, no source of operating revenue, and is dependent upon the future receipt of equity financing to maintain its operations and to advance its current project. The ability of the Company to continue as a going concern depends upon its ability to develop profitable operations and to continue to raise additional financing to maintain its working capital. At the present time, there are material uncertainties which cast significant doubt on the ability of the Company to continue as a going concern.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally. It is not possible for the Company to predict the enduring effects of the adverse results of the outbreak and its effects on the Company's business or ability to raise funds. The Company continues to adapt to changing travel, health and regional restrictions.

There can be no assurance that the Company will be able to continue to raise funds, in which case the Company may be unable to meet its obligations. Should the Company be unable to realize on its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded on the condensed consolidated interim statements of financial position.

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### a) Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statement, including IAS 34, Interim Financial Reporting. Accordingly, these financial statements do not include all of the information and footnotes required by IFRS for complete financial statements for year-end reporting purposes. These financial statements should be read in conjunction with the Company's financial statements for the year ended December 31, 2021, which have been prepared in accordance with IFRS as issued by the IASB.

The accounting policies applied by the Company in these financial statements are the same as those applied by the Company in its most recent annual financial statements for the year December 31, 2021 as filed on SEDAR at [www.sedar.com](http://www.sedar.com)

#### b) Basis of measurement

These condensed consolidated interim financial statements have been prepared on a historical cost basis except for financial instruments classified at fair value through profit or loss, which are stated at their fair value. In addition, these condensed consolidated interim financial statements have been prepared using the accrual basis of accounting, except for the cash flow information.

# THUNDERSTRUCK RESOURCES LTD.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(Unaudited - Expressed in Canadian dollars)

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022

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### 2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

#### b) **Basis of measurement** *(continued)*

These condensed consolidated interim financial statements include the accounts of the Company and its 100% controlled entity, Thunderstruck Limited (a Fijian corporation) (“Thunderstruck Fiji”) and Thunderstruck Fiji’s 100% controlled entity, Aljen (Pacific) Limited (a Fijian corporation).

Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated on consolidation.

These condensed consolidated interim financial statements are presented in Canadian dollars, which is also the functional currency of all the entities.

#### c) **Use of judgements and estimates**

The preparation of these condensed consolidated interim financial statements requires management to use judgment in applying its accounting policies and estimates and assumptions about the future. Estimates and other judgments are regularly evaluated and are based on management’s experience and other factors, including expectations about future events that are believed to be reasonable under the circumstances. The following are the most significant accounting judgments and estimates that the Company has made in the preparation of these condensed consolidated interim financial statements.

##### Critical judgements in applying accounting policies:

The following are critical judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the financial statements:

- The determination that there are no pervasive indicators which would require an impairment provision in connection with the carrying value of the company’s exploration and evaluation assets.
- The determination that the Company will continue as a going concern for the next year.

##### Key sources of estimation uncertainty:

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

##### *Share-based payments*

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Equity-settled transactions with non-employees are recorded at the fair value of the service provided, where this is readily determinable. In other instances, they are recorded at the fair value of the equity instruments issued. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share-based award, volatility and dividend yield and making assumptions about them.

##### *Deferred tax assets*

The Company estimates the expected manner and timing of the realization or settlement of the carrying value of its assets and liabilities and applies the tax rates that are enacted or substantively enacted on the estimated dates of realization or settlement.

# THUNDERSTRUCK RESOURCES LTD.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(Unaudited - Expressed in Canadian dollars)

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022

### 3. EXPLORATION AND EVALUATION ASSETS

	Fijian Project, Fiji
	\$
<b>Balance, December 31, 2020</b>	<b>1,854,294</b>
Assay	21,593
Camp costs	181,670
Community relations	2,905
Depreciation (note 4)	121,515
Drilling and site works	49,911
Field office	238,614
Geological	145,637
Management	93,234
Recoveries	(565,250)
Supplies	10,769
<b>Balance, December 31, 2021</b>	<b>2,154,892</b>
Assay	86,975
Camp costs	178,018
Community relations	25,280
Depreciation (note 4)	56,280
Drilling and site works	269,940
Field office	168,269
Geological	92,913
Management	50,823
Supplies	37,849
<b>Balance, September 30, 2022</b>	<b>3,121,239</b>

#### Fijian Project, Island of Viti Levu, Fiji

On August 4, 2016, the Company entered into a Share Sale Agreement (the “Agreement”) to acquire all of the issued and outstanding shares of Aljen (Pacific) Limited (“Aljen”), a private Fijian company holding legal title to a portfolio of base metal and gold properties located on the island of Viti Levu, Fiji (the “Properties”).

Pursuant to the Agreement, the Company paid cash of AUD\$158,000 plus VAT and issued 450,000 common shares of the Company. The Company is required to issue a further 1,000,000 common shares of the Company in the event the Company or its successors either a) identify indicated mineral resources (or better and as prepared in compliance with NI 43-101) containing a minimum of 250,000 ounces of gold or 3,000,000 tonnes of copper, zinc or silver on the Properties; or b) completes a prefeasibility study on the Properties.

The Company is satisfied that evidence of title to the property is adequate and acceptable to prevailing Fijian standards with respect to the current stage of exploration on this property. Although the Company is unaware of any defects in title to its property, no guarantee can be made that none exist.

# THUNDERSTRUCK RESOURCES LTD.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(Unaudited - Expressed in Canadian dollars)

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022

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### 3. EXPLORATION AND EVALUATION ASSETS *(continued)*

#### *Joint Venture with Japan Oil, Gas and Metals National Corporation*

On February 28, 2019, the Company signed a Letter Agreement (the "Agreement") with Japan Oil, Gas and Metals National Corporation ("JOGMEC"), whereby JOGMEC has the option to earn a 70% ownership interest in a wholly owned subsidiary to be established by the Company under the laws of Fiji ("FijiSub"). Upon completion of the option, JOGMEC would have an indirect interest in the Korokayiu Property (the "Mineral Licence") in Fiji, currently held 100% by Thunderstruck Fiji.

The Agreement granted JOGMEC the option to earn a 70% ownership interest by funding \$3,500,000 of exploration through March 31, 2022, subject to acceleration at JOGMEC's discretion.

In order to earn a 70% interest, JOGMEC was required to complete the exploration requirement as follows:

- 1) Term 1 Program: \$900,000 during the period commencing on February 28, 2019 (the "Effective Date") and ending March 31, 2020. During fiscal 2019, the Term 1 Program was amended to increase funding. During the Term 1 Program, the Company received \$1,449,589. The Term 1 Program funding is now completed.
- 2) Term 2 Program: \$1,100,000 during the period commencing on April 1, 2020 and ending March 31, 2021. During the Term 2 Program, the Company received \$1,083,027. The Term 2 Program funding is now completed.
- 3) Term 3 Program: \$1,500,000 during the period commencing April 1, 2021 and ending March 31, 2022. During the Term 3 Program, the Company received \$304,878.

During the period ended September 30, 2022, the Company recognized a recovery of \$Nil (2021 - \$309,733) against exploration and evaluation assets and operator fees of \$Nil (2021 - \$27,528) related to the JOGMEC funding.

During the JOGMEC option period, the Company was the operator for all operations and responsible for the preparation, conduct and oversight of prospecting operations, and the hiring of any third-party consultants.

During the year ended December 31, 2021, JOGMEC surrendered its option to acquire 70% of the Korokayiu prospect. The Company maintains 100% ownership over the Fijian licenses and properties.

# THUNDERSTRUCK RESOURCES LTD.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(Unaudited - Expressed in Canadian dollars)

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022

### 4. EQUIPMENT

	Equipment	Vehicles	Right-of-use assets (Vehicles)	Total
<b>Cost</b>				
Balance, December 31, 2020	\$ 6,500	\$ 26,968	\$ 343,949	\$ 377,417
Addition	-	24,547	-	24,547
Disposal	-	(26,968)	-	(26,968)
Balance, December 31, 2021	\$ 6,500	\$ 24,547	\$ 343,949	\$ 374,996
Addition	16,753	154,422	30,996	202,171
Buyout of leases	-	-	(310,952)	(310,952)
Disposal	-	-	(63,993)	(63,993)
Balance, September 30, 2022	\$ 23,253	\$ 178,969	\$ -	\$ 202,222
<b>Accumulated Depreciation</b>				
Balance, December 31, 2020	\$ 1,878	\$ 18,175	\$ 80,129	\$ 100,182
Depreciation	1,950	3,303	118,212	123,465
Disposal	-	(19,856)	-	(19,856)
Balance, December 31, 2021	\$ 3,828	\$ 1,622	\$ 198,341	\$ 203,791
Buyout of leases	-	-	(180,258)	(180,258)
Depreciation	1,717	10,111	45,910	57,738
Disposal	-	-	(63,993)	(63,993)
Balance, September 30, 2022	\$ 5,545	\$ 11,733	\$ -	\$ 17,278
<b>Net Book Value</b>				
Balance, December 31, 2021	\$ 2,672	\$ 22,925	\$ 145,608	\$ 171,205
Balance, September 30, 2022	\$ 17,708	\$ 167,236	\$ -	\$ 184,944

# THUNDERSTRUCK RESOURCES LTD.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(Unaudited - Expressed in Canadian dollars)

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022

### 5. LEASE LIABILITIES

The following is a continuity schedule of lease liability for the years presented:

	September 30, 2022	December 31, 2021
Balance, beginning of the period	\$ 174,456	\$ 264,281
Lease additions in the period	30,996	-
Accrued finance expense	4,070	14,426
Foreign exchange	(4,277)	(8,587)
Lease payments	(62,297)	(95,664)
Redemption of bonds	(20,855)	-
Buyout of leases	(122,093)	-
Balance, end of the period	\$ -	\$ 174,456
Current (less than one year)	\$ -	\$ 128,354
Long-term	-	46,102
Balance, end of the period	\$ -	\$ 174,456

The Company entered into one additional vehicle lease in the period ended September 30, 2022 and has applied an incremental borrowing rate of 7.00%. The Company bought out five vehicle leases in the period ended September 30, 2022.

### 6. SHARE CAPITAL

#### a) *Authorized share capital*

As at September 30, 2022, the authorized share capital consisted of an unlimited number of common shares without par value and an unlimited number of preferred shares with no par value.

#### b) *Issued share capital*

*For the nine months ended September 30, 2022*

On March 8, 2022, the Company completed a private placement of 35,714,285 units, at a price of \$0.07 per unit, for gross proceeds of \$2,500,000. Each unit consisted of one common share and one share purchase warrant. Each whole warrant entitles the holder to purchase a common share at a price of \$0.15 per share until March 8, 2027. The warrants are subject to accelerated exercise provisions such that if the closing price of the Company's common shares exceeds \$0.30 per share for a period of 20 consecutive trading days, the Company may give notice of the acceleration of the warrants' term to a period of 30 days following such notice. No finders' fees were payable in connection with the private placement.

*For the year ended December 31, 2021*

On October 22, 2021, the Company completed a private placement of 5,330,066 units, at a price of \$0.06 per unit, for gross proceeds of \$319,804. Each unit consisted of one common share and one-half of one share purchase warrant. Each whole warrant entitles the holder to purchase a common share at a price of \$0.15 per share until October 22, 2024. The Company paid a total of \$10,595 in finders' fees and issued 176,583 finders' warrants on the same terms as the warrants in the units.

The finders' warrants were valued at \$8,865 using the Black-Scholes inputs as follows: 0.95% risk-free interest rate, volatility of 115.1%, term of 3 years and dividend rate of 0%.

# THUNDERSTRUCK RESOURCES LTD.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(Unaudited - Expressed in Canadian dollars)

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022

### 6. SHARE CAPITAL (continued)

#### c) *Share purchase options*

The Company has established a stock option plan for its directors, officers and technical consultants under which the Company may grant options from time to time to acquire a maximum number of common shares of up to 10% of the issued and outstanding Common Shares. The exercise price of each option granted under the plan shall be determined by the Board of Directors. Options may be granted for a maximum term of ten years from the date of the grant, are non-transferable and expire within 90 days of termination of employment or holding office as director or officer of the Company. Unless otherwise stated, the options fully vest when granted.

The following is a summary of the changes in the Company's outstanding stock options:

	September 30, 2022		December 31, 2021	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
		\$		\$
Balance, beginning of the period	8,005,000	0.08	8,405,000	0.08
Granted	4,800,000	0.09	380,000	0.08
Exercised	(725,000)	0.09	(250,000)	0.08
Expired	(700,000)	0.07	(530,000)	0.08
Balance, end of the period (1)	11,380,000	0.09	8,005,000	0.08

(1) As at September 30, 2022, the weighted-average remaining contractual life of stock options outstanding is 6.49 years (December 31, 2021 – 6.22 years).

Summary of stock options outstanding and exercisable at September 30, 2022:

Number Outstanding and Exercisable	Exercise Price	Expiry Date
	\$	
300,000	0.08	June 25, 2023
900,000	0.05	June 25, 2025
150,000	0.05	September 22, 2025
50,000	0.07	December 3, 2025
30,000	0.075	April 16, 2026
1,150,000	0.085	August 26, 2026
700,000	0.065	January 21, 2027
300,000	0.10	April 13, 2027
375,000	0.09	September 6, 2027
900,000	0.09	March 13, 2028
100,000	0.055	October 9, 2028
1,050,000	0.07	April 5, 2029
850,000	0.075	January 30, 2030
900,000	0.115	September 23, 2030
225,000	0.08	February 19, 2031
600,000	0.115	February 13, 2032
2,100,000	0.095	March 8, 2032
700,000	0.07	March 29, 2032
11,380,000		

# THUNDERSTRUCK RESOURCES LTD.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(Unaudited - Expressed in Canadian dollars)

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022

### 6. SHARE CAPITAL (continued)

#### d) Share purchase warrants

The following is a summary of the changes in the Company's outstanding warrants:

	September 30, 2022		December 31, 2021	
	Number of warrants	Weighted Average Exercise Price	Number of warrants	Weighted Average Exercise Price
		\$		\$
Balance, beginning of the period	42,610,097	0.13	41,768,481	0.13
Exercised	(200,000)	0.10	(600,000)	0.10
Expired	(10,889,292)	0.15	(1,400,000)	0.10
Granted	35,714,285	0.15	2,841,616	0.15
Balance, end of the period	67,235,090	0.14	42,610,097	0.13

Summary of warrants outstanding as at September 30, 2022:

Number Outstanding	Exercise Price	Expiry Date
	\$	
1,457,854	0.10	January 5, 2023 <sup>(1)</sup>
5,250,000	0.15	March 13, 2023 <sup>(1)(2)</sup>
2,262,000	0.15	May 25, 2023 <sup>(1)</sup>
1,250,000	0.15	October 9, 2023 <sup>(1)(2)</sup>
951,835	0.15	November 9, 2023 <sup>(1)(2)</sup>
2,841,616	0.15	October 22, 2024
17,507,500	0.10	June 24, 2025
35,714,285	0.15	March 8, 2027 <sup>(3)</sup>
67,235,090		

(1) The warrants are subject to an accelerated exercise provision such that if the closing price of the Company's common shares exceeds \$0.25 per share for a period of 20 consecutive trading days, the Company may give notice of the acceleration of the warrants' terms to a period of 30 days following such notice.

(2) The original expiry dates of these warrants were extended by 24 months in the year ended December 31, 2021.

(3) The warrants are subject to an accelerated exercise provision such that if the closing price of the Company's common shares exceeds \$0.30 per share for a period of 20 consecutive trading days, the Company may give notice of the acceleration of the warrants' terms to a period of 30 days following such notice.

# THUNDERSTRUCK RESOURCES LTD.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(Unaudited - Expressed in Canadian dollars)

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022

### 6. SHARE CAPITAL (continued)

#### e) *Share-based payment reserve*

During the period ended September 30, 2022, the Company granted the following options:

- 1,400,000 options with a fair value of \$75,739, or \$0.0541 per option.
- 600,000 options with a fair value of \$68,386, or \$0.1140 per option.
- 2,100,000 options with a fair value of \$197,635, or \$0.0941 per option.
- 700,000 options with a fair value of \$48,556, or \$0.0694 per option.

During the year ended December 31, 2021, the Company granted the following options:

- 350,000 options with a fair value of \$27,767, or \$0.0793 per option.
- 30,000 options with a fair value of \$1,987, or \$0.0662 per option.

The following weighted average assumptions were used for the Black Scholes valuation of stock options granted:

	September 30, 2022	December 31, 2021
Risk-free interest rate	1.87%	1.19%
Expected life	8.55 years	9.61 years
Expected volatility	150.55%	163.48%
Dividend rate	0.00%	0.00%

### 7. RELATED PARTY TRANSACTIONS

Key management personnel compensation:

	2022	2021
	\$	\$
Consulting fees <sup>(1)</sup>	22,023	19,512
Directors' fees	9,000	9,000
Exploration and evaluation assets - geological <sup>(2)</sup>	15,000	-
Management fees <sup>(3)</sup>	155,000	90,000
Rent <sup>(4)</sup>	28,350	18,900
Share-based compensation	137,941	-
Total key management compensation	367,314	137,412

<sup>(1)</sup> Consulting fees include fees for the CFO.

<sup>(2)</sup> Exploration and evaluation assets include geological fees paid to a former director.

<sup>(3)</sup> Management fees include fees for the CEO.

<sup>(4)</sup> Expenses paid on behalf of the CEO or to a company owned by the CEO per the CEO's consulting agreement.

As at September 30, 2022, the Company owes various directors and officers of the Company \$6,300 (December 31, 2021 - \$8,434) for administrative expenses and professional fees provided. All amounts are included in accounts payable and accrued liabilities.

All transactions and balances are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration and agreed to by the related parties.

# THUNDERSTRUCK RESOURCES LTD.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(Unaudited - Expressed in Canadian dollars)

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022

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### 8. CAPITAL MANAGEMENT

The Company's primary objective for managing its capital structure is to maintain financial capacity for the purpose of sustaining the future development of the business and maintaining investor, creditor and market confidence.

The Company considers its capital structure to include shareholders' equity and working capital. To effectively manage its resources and minimize risks, the Company prepares annual expenditure budgets that are updated as necessary depending on factors including success of programs and general industry conditions. In the event that adjustments to the capital structure are necessary, the Company may consider issuing additional equity, raising debt or revising its capital investment programs.

The Company's share capital is not subject to any external restrictions. The Company has not paid or declared any dividends since the date of incorporation, nor are any currently contemplated. There have been no changes to the Company's approach to capital management during the year.

### 9. FINANCIAL INSTRUMENT RISKS

#### *Financial instruments*

The Company's financial instruments are exposed to the following risks:

#### *Credit Risk*

The Company's primary exposure to credit risk is the risk of illiquidity of cash, amounting to \$752,102 at September 30, 2022 (December 31, 2021 - \$57,556). As the Company's policy is to limit cash holdings to instruments issued by major Canadian banks, the credit risk is considered by management to be negligible. Cash is provided to Fiji on a cash call basis to maintain minimal balances.

#### *Liquidity Risk*

Liquidity risk is the risk that the Company will not be able to pay financial instrument liabilities as they come due. The Company's liquidity risk from financial instruments is its need to meet operating accounts payable requirements. The Company is working to meet its capital requirements to satisfy its obligations. Liquidity will be managed through additional financing through debt and/or equity as available.

#### *Foreign Exchange Risk*

The Company's has engaged a number of vendors in the pursuit of mineral exploration activities in Fiji. As such, the Company is exposed to some foreign currency risk. Fluctuations in the exchange rate between the Canadian dollar and Fijian dollar may have an adverse effect on the Company's business and costs to proceed with preferred vendors. The Company may reduce its foreign currency risk as needed by substituting Canadian vendors as required. Foreign currency risk is considered low relative to the overall financial operating plan.

#### *Interest Rate Risk*

The Company has been exposed to interest rate risk on its cash. The majority of these deposits have been in discounted instruments with pre-determined fixed yields. Interest rate movements will affect the fair value of these instruments, so the Company manages maturity dates of these instruments to match cash flow needs, enabling realization at no loss in almost all cases. As at September 30, 2022, the Company maintained all of its cash balance on deposit in chequing accounts with a major Canadian bank and a major Fijian bank.

#### *Fair Value of Financial Instruments*

The Company's cash, amounts receivable, exploration advances, accounts payable and accrued liabilities are carried at amortized cost and approximate fair value due to their short-term nature.